

State of New Hampshire
Division of Emergency Services & Communications
Bureau of Emergency Communications



E911 Surcharge on Prepaid Commercial Mobile Radio Service (CMRS)
Frequently Asked Questions

1. What does the new law require, in a “nutshell”?

Generally, anyone who sells prepaid cell phone service must collect the e911 surcharge, currently \$0.75 per retail transaction, from the purchaser and remit the collected surcharge to the Bureau on a monthly basis.

2. What is CMRS?

CMRS is Commercial Mobile Radio Service; basically cell phone service. Examples include preloaded time on a purchased cell phone and loading time on a cell phone via automated monthly payments, online transactions, telephone transactions or through the purchase of prepaid cards used for activating a device or adding minutes to a device.

3. As a seller of prepaid CMRS, when do I have to collect the surcharge?

With some exceptions, if you sell prepaid CMRS in a “retail transaction sourced to New Hampshire,” you have to collect the surcharge from the purchaser at the time of purchase.

4. What is a “retail transaction sourced to New Hampshire?”

It is a purchase of prepaid CMRS for any purpose except resale, when:

- a. The transaction occurs in person at a seller’s location in New Hampshire; or
- b. If not, when the purchaser provides a New Hampshire delivery address for a physical item that evidences the purchase, such as a card; or
- c. If not a. or b., when the purchaser in good faith gives a New Hampshire address during the completion of the sale, including the address associated with the method of payment if no other address is available; or
- d. If not a., b., or c., when the purchaser’s phone number is associated with a postal zip code, telephone area code, or location within New Hampshire.

5. As a seller of prepaid CMRS, when is it OK to not collect the surcharge?

If you sell a device that comes with \$5 or less or 10 minutes or less of CMRS service, you don’t have to collect the surcharge, but if you choose to collect it, you must comply with the law and the rules about the collection, remitting and reporting of the surcharge. However, this exception does not apply to sales of \$5 or less or 10 minutes or less of service without a device.

If you decide that you will not have more than 150 retail transactions in a calendar quarter, you do not have to collect the surcharge if you submit a Quarterly Exemption Certification form within 15 days after the end of the quarter, along with copies of invoices, receipts, or other similar records that show the number of retail transactions for the quarter. However, if you don't collect the surcharge, thinking you will have less than 150 transactions in a quarter, but you end up having more than 150 transactions in that quarter, you will not be eligible for the exemption, and you will be responsible for paying the surcharge yourself on the 150+ transactions in that quarter.

6. As a seller of prepaid CMRS, do I always have to remit all of the collected surcharge to the Bureau?

No. Sellers are allowed to keep 3% of the surcharge they collect.

7. As a seller of prepaid CMRS, how do I collect the surcharge from the purchaser?

The surcharge to be collected is a flat amount per transaction, currently \$0.75, regardless of the amount of service being purchased. The amount of the surcharge must be separately stated on a receipt or similar document given to the purchaser, or otherwise disclosed to the purchaser. However, unless an exception applies, you will still be responsible to remit surcharge to the Bureau even if you have not separately stated the amount of the surcharge on a receipt or similar document given to the purchaser.

8. As a seller of prepaid CMRS, how and when do I remit surcharge?

On a monthly basis, within 30 days after the last day of each month, you must complete and submit a Prepaid CMRS Surcharge Report form along with your surcharge payment, to the Bureau of Emergency Communications, c/o DOS Business Office, 33 Hazen Drive, Concord, NH 03305.

9. As a seller of prepaid CMRS, what else do I have to do?

You should review the law and rules for yourself, but two other things you must do are:

- a. Register as a seller by completing and submitting to the Bureau of Emergency Communications, 33 Hazen Drive, Concord, NH 03305, a NH Prepaid Commercial Mobile Radio Service Seller Registration Form no later than 30 days after the end of the month in which you complete your first retail transaction sourced to New Hampshire; and
- b. If you are a seller that remits surcharge to the Bureau, you must keep records (1) to establish the amounts of surcharge collected and remitted, (2) to establish eligibility for exceptions or exemptions from collecting surcharge, and (3) to establish any information required to be shown on required forms. Records must be kept for 3 years or longer at the Bureau's request.

10. If I want to read the law and the rules for myself, where can I find them?

The Bureau strongly recommends that you read the law and rules for yourself, as these FAQs do not either change or take the place of the requirements of the law and the rules; these FAQs are provided for your convenience only. The law and rules can be found at:

<http://www.nh.gov/safety/divisions/emergservices/nh911/911legal.html>

11. Where can I find the forms mentioned in these FAQs?

<http://www.nh.gov/safety/divisions/emergservices/forms.html>